



August 28, 2017

Joint Legislative Committee on Local Government
North Carolina General Assembly
Legislative Building
16 West Jones Street
Raleigh, North Carolina 27601
Attention: Committee Chairs and Committee Assistant

Fiscal Research Division
North Carolina General Assembly
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603-5925

Re: Installment Financing by the City of Fayetteville, North Carolina for Fire Station Project

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the City of Fayetteville, North Carolina (the "City") hereby notifies you of its intent to enter into an installment financing agreement (the "Agreement") pursuant to Section 160A-20 of the General Statute of North Carolina, as amended, in the principal amount of approximately \$3,600,000 to finance the costs of acquiring, constructing and equipping a new fire station for the City (the "Project"). The obligations of the City under the Agreement will be secured by a deed of trust on the site of the Project, together with any improvements or fixtures located or to be located thereon. The payment of the installment payments under the Agreement will be subject to annual appropriation, and the City's obligations under the Agreement will not be secured by the faith and credit or taxing power of the City.

It is expected that the Agreement will have a term of approximately twenty (20) years. The financial institution to provide the financing pursuant to the Agreement will be selected pursuant to a request for proposals, at which time the interest rate shall be determined for the

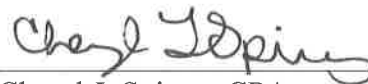
P.O. Drawer D
433 Hay Street
Fayetteville, NC 28302-1746
FAX (910) 433-1680

www.fayettevillenc.gov
www.facebook.com/cityoffayettevillegovernment www.twitter.com/CityOfFayNC
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Agreement. The City expects to accept the proposal of the winning bidder on September 11, 2017, obtain the approval of the North Carolina Local Government Commission on October 3, 2017 and close the financing by October 13, 2017.

If you have any questions or require any further information, please do not hesitate to contact me.

Sincerely,



Cheryl J. Spivey, CPA
Chief Financial Officer
City of Fayetteville, North Carolina

cc: Phillip Anderson, Local Government Commission

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